GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:226
ANSWERED ON:05.12.2000
PRODUCTION OF FERTILIZERS
JASKAUR MEENA;RAJO SINGH

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the production of nitrogenous and phosphatic fertilizers during the last three years;

(b) whether the production of these fertilizers is sufficient to meet the requirement of the country; and

(c) if not, the steps taken by the Government to increase their production progressively?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI SUKHDEV SINGH DHINDSA)

(a) to (c) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 226 TO BE ANSWERED ON 5.12.2000.

(a) Production of nitrogenous and phosphatic fertilizers in terms of nutrients during last three years given below:

(in Lac MTs)

Year	Production	
	Nitrogen	Phosphate
1997-98	100.86	29.8
1998-99	104.8	31.4
1999-2000	108.9	33.9

(b) In case of nitrogenous fertilisers, the country is nearly self-sufficient in urea, whereas in case of phosphatic fertilizers the self-sufficiency is to the extent of 70%. However, self-sufficiency is also related to various factors such as monsoon conditions which influence the demand.

(c) To optimise the indigenous fertilizer production, the following facilities/concessions have been made available to the fertilizers industry by the Government at present:

1) As per the industrial policy resolution dated 24th July, 1991, no license is normally required for setting up/expansion of fertilizer plants. Entrepreneurs are free to set up/expand fertilizer projects anywhere in the country subject to environmental clearance.

2) Deemed Export Benefits to indigenous suppliers of capital goods to fertilizer projects provided such supplies are made under the procedure of international competitive bidding.

3) Reasonable return on investment to the entrepreneurs under the

Retention Price-cum-Subsidy Scheme, at present applicable to existing urea capacity.

4) Concession on sale of decontrolled phosphatic and potassic fertilizers to farmers.

5) Import of capital goods for setting up of new plant/ modernisation of existing units at a concessional rate of customs duty.

6) Import of fertilizer raw materials and intermediates at a concessional rate of customs duty.